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WEDNESDAY, MARCH 2, 1791.

[Whole No. 192.]



CONGRESS OF THE UNITED STATES:

AT THE THIRD SESSION,

Begun and held at the City of Philadelphia, on Monday the sixth of December, one thousand seven hundred and ninety.

An ACT to incorporate the Subscribers to the BANK of the UNITED STATES.

WHEREAS it is conceived that the establishment of a bank for the United States, upon a foundation sufficiently extensive to answer the purposes intended thereby, and at the same time upon the principles which afford adequate security for an upright and prudent administration thereof, will be very conducive to the successful conducting of the national finances—will tend to give facility to the obtaining of loans, for the use of the government, in sudden emergencies—and will be productive of considerable advantages to trade and industry in general—Therefore,

I. *Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled,* That a bank of the United States shall be established; the capital stock whereof shall not exceed ten millions of dollars, divided into twenty-five thousand shares, each share being four hundred dollars; and that subscriptions, towards constituting the said stock, shall, on the first Monday of April next, be opened at the city of Philadelphia, under the superintendance of such persons, not less than three, as shall be appointed for that purpose by the President of the United States (who is hereby empowered to appoint the said persons accordingly) which subscriptions shall continue open until the whole of the said stock shall have been subscribed.

II. *And be it further enacted,* That it shall be lawful for any person, co-partnership, or body politic, to subscribe for such or so many shares, as he, she or they shall think fit, not exceeding one thousand, except as shall be hereafter directed relatively to the United States; and that the sums respectively subscribed, except on behalf of the United States, shall be payable one fourth in gold and silver, and three fourths in that part of the public debt which, according to the loan proposed in the fourth and fifteenth sections of the act, entitled, "An Act making provision for the debt of the United States," shall bear an accruing interest, at the time of payment, of six per centum per annum, and shall also be payable in four equal parts, in the aforesaid ratio of specie to debt, at the distance of six calendar months from each other; the first whereof shall be paid at the time of subscription.

III. *And be it further enacted,* That all those who shall become subscribers to the said bank, their successors and assigns, shall be, and are hereby created and made a corporation and body politic, by the name and style of *The President, Directors and Company, of the Bank of the United States;* and shall to continue until the 4th day of March, one thousand eight hundred and eleven: And by that name, shall be, and are hereby made able and capable in law, to have, purchase, receive, possess, enjoy, and retain to them and their successors, lands, tenements, hereditaments, goods, chattels, and effects of what kind, nature or quality soever, to an amount, not exceeding in the whole fifteen millions of dollars, including the amount of the capital stock aforesaid; and the same to sell, grant, demise, alien or dispose of; to sue and be sued, plead and be impleaded, answer and be answered, defend and be defended, in courts of record, or any other place whatsoever; And also to make, have, and use a common seal, and the same to break, alter and renew, at their pleasure; and also to ordain, establish, and put in execution, such bye-laws, ordinances and regulations, as shall seem necessary and convenient for the government of the said corporation, not being contrary to law, or to the constitution thereof (for which purpose, general meetings of the stockholders shall and may be called by the directors, and in the manner hereinafter specified) and generally to do and execute all and singular acts, matters and things, which to them it shall or may appertain to do; subject nevertheless to the rules, regulations, restrictions, limitations, and provisions, herein after prescribed and declared.

IV. *And be it further enacted,* That, for the well ordering of the affairs of the said corporation, there shall be twenty-five directors: of whom there shall be an election, on the first Monday of January in each year, by the stockholders or proprietors of the capital stock of the said corporation, and by plurality of the votes actually given; and those, who shall be duly chosen at any election, shall be capable of serving as directors, by virtue of such choice, until the end or expiration of the Monday of January next ensuing the time of such election, and no longer. And the said directors, at their first meeting after each election, shall choose one of their number as president.

V. *Provided always, and be it further enacted,* That, as soon as the sum of four hundred thousand dollars, in gold and silver, shall have been actually received on account of the subscriptions to the said stock, notice thereof shall be given, by the persons under whose superintendance the same shall have been made, in at least two public gazettes printed in the city of Philadelphia; and the said persons shall, at the same time in like manner, notify a time and place within the said city, at the distance of ninety days from the time of such notification, for proceeding to the election of directors; and it shall be lawful for such election to be then and there made; and the persons, who shall then and there be chosen, shall be the first directors, and shall be capable of serving, by virtue of such choice, until the end or expiration of the Monday in January next ensuing the time of making the same, and shall forthwith thereafter commence the operations of the said bank, at the said city of Philadelphia. And provided further, That, in case it should at any time happen, that an election of directors should not be made upon any day when pursuant to this act it ought to have been made, the said corporation shall not for that cause, be deemed to be dissolved; but it shall be lawful, on any other day, to hold and make an election of directors, in such manner as shall have been regulated by the laws and ordinances of the said corporation. And provided lastly, That, in case of the death, resignation, absence from the United States, or removal of a director by the stockholders, his place may be filled up, by a new choice, for the remainder of the year.

VI. *And be it further enacted,* That the directors for the time being, shall have power to appoint such officers, clerks, and servants

under them, as shall be necessary for executing the business of the said corporation, and to allow them such compensation, for their services respectively, as shall be reasonable; and shall be capable of exercising such other powers and authorities, for the well governing and ordering of the affairs of the said corporation, as shall be described, fixed, and determined by the laws, regulations and ordinances of the same.

VII. *And be it further enacted,* That the following rules, restrictions, limitations and provisions, shall form and be fundamental articles of the constitution of the said corporation, viz.

1. The number of votes, to which each stockholder shall be entitled, shall be according to the number of shares he shall hold, in the proportions following: That is to say, for one share, and not more than two shares, one vote: For every two shares above two, and not exceeding ten, one vote: For every four shares above ten, and not exceeding thirty, one vote: For every six shares above thirty, and not exceeding sixty, one vote: For every eight shares above sixty, and not exceeding one hundred, one vote: And for every ten shares above one hundred, one vote:—But no person, co-partnership, or body politic, shall be entitled to a greater number than thirty votes. And after the first election, no share or shares shall confer a right of suffrage, which shall not have been held in three calendar months previous to the day of election. Stockholders actually resident within the United States, and none other, may vote in elections by proxy.

2. Not more than three-fourths of the directors in office, exclusive of the President, shall be eligible for the next succeeding year: But the director, who shall be president at the time of an election, may always be re-elected.

3. None but a stockholder, being a citizen of the United States, shall be eligible as a director.

4. No director shall be entitled to any emolument, unless the same shall have been allowed by the stockholders at a general meeting. The stockholders shall make such compensation to the president, for his extraordinary attendance at the bank, as shall appear to them reasonable.

5. Not less than seven directors shall constitute a board for the transaction of business, of whom, the president shall always be one, except in case of sickness, or necessary absence; in which case, his place may be supplied by any other director, whom he, by writing under his hand, shall nominate for the purpose.

6. Any number of stockholders, not less than sixty, who together shall be proprietors of two hundred shares or upwards, shall have power at any time to call a general meeting of the stockholders, for purposes relative to the institution, giving at least ten weeks notice, in two public gazettes of the place where the bank is kept, and specifying, in such notice, the object or objects of such meeting.

7. Every cashier or treasurer, before he enters upon the duties of his office, shall be required to give bond, with two or more sureties, to the satisfaction of the directors, in a sum not less than fifty thousand dollars, with condition for his good behaviour.

8. The lands, tenements, and hereditaments, which it shall be lawful for the said corporation to hold, shall be only such as shall be requisite for its immediate accommodation in relation to the convenient transacting of its business, and such as shall have been bona fide mortgaged to it by way of security, or conveyed to it in satisfaction of debts previously contracted in the course of its dealings, or purchased at sales upon judgments which shall have been obtained for such debts.

9. The total amount of the debts which the said corporation shall at any time owe, whether by bond, bill, note, or other contract, shall not exceed the sum of Ten Millions of Dollars, over and above the monies then actually deposited in the bank for safe-keeping, unless the contracting of any greater debt shall have been previously authorized by a law of the United States. In case of excess, the directors, under whose administration it shall happen, shall be liable for the same, in their natural and private capacities: and an action of debt may in such case be brought against them, or any of them, their or any of their heirs, executors or administrators, in any court of record of the United States, or of either of them, by any creditor or creditors of the said corporation, and may be prosecuted to judgment and execution; any condition, covenant, or agreement to the contrary notwithstanding. But this shall not be construed to exempt the said corporation, or the lands, tenements, goods or chattels of the same, from being also liable for and chargeable with the said excess. Such of the said directors, who may have been absent when the said excess was contracted or created, or who may have dissented from the resolution or act whereby the same was so contracted or created, may respectively exonerate themselves from being so liable, by forthwith giving notice of the fact, and of their absence or dissent, to the President of the United States, and to the stockholders, at a general meeting, which they shall have power to call for that purpose.

10. The said corporation may sell any part of the public debt whereof its stock shall be composed, but shall not be at liberty to purchase any public debt whatsoever; nor shall directly or indirectly deal or trade in any thing, except bills of exchange, gold or silver bullion, or in the sale of goods really and truly pledged for money lent and not redeemed in due time; or of goods which shall be the produce of its lands. Neither shall the said corporation take more than at the rate of six per centum per annum, for or upon its loans or discounts.

11. No loan shall be made by the said corporation, for the use or on account of the government of the United States, to an amount exceeding one hundred thousand dollars, or of any particular State, to an amount exceeding fifty thousand dollars, or of any foreign prince or State, unless previously authorized by a law of the United States.

12. The stock of the said corporation shall be assignable and transferable, according to such rules as shall be instituted in that behalf, by the laws and ordinances of the same.

13. The bills obligatory and of credit, under the seal of the said corporation, which shall be made to any person or persons, shall be assignable by indorsement thereupon, under the hand or hands of such person or persons, and of his, her, or their assignee or assignees, and so as absolutely to transfer and vest the property thereof in each and every assignee or assignees successively, and to enable such assignee or assignees to bring and maintain an action thereupon in his, her, or their own name or names. And bills or notes, which may be issued by order of the said corporation, signed by the President, and countersigned by the principal cashier or treasurer, promising the payment of money to any person or persons, his, her or their order, or to bearer, though not under the seal of the said corporation, shall be binding and obligatory upon the same in the like manner, and with the like force and effect, as upon any private person or persons, if issued by him or them, in his, her, or their private or natural capacity or capacities; and shall be assignable and negotiable, in like manner, as if they were so issued by

such private person or persons.—That is to say, those, which shall be payable to any person or persons, his, her, or their order, shall be assignable by indorsement, in like manner, and with the like effect, as foreign bills of exchange now are; and those, which are payable to bearer, shall be negotiable and assignable by delivery only.

14. Half yearly dividends shall be made of so much of the profits of the bank, as shall appear to the directors advisable; and once in every three years, the directors shall lay before the stockholders, at a general meeting, for their information, an exact and particular statement of the debts, which shall have remained unpaid after the expiration of the original credit, for a period of treble the term of that credit; and of the surplus of profit, if any, after deducting losses and dividends. If there shall be a failure in the payment of any part of any sum, subscribed by any person, co-partnership, or body politic, the party failing shall lose the benefit of any dividend, which may have accrued, prior to the time for making such payment, and during the delay of the same.

15. It shall be lawful for the directors aforesaid, to establish offices whereofever they shall think fit, within the United States, for the purposes of discount and deposit only, and upon the same terms and in the same manner, as shall be practised at the bank; and to commit the management of the said offices, and the making of the said discounts, to such persons, and under such agreements, and subject to such regulations as they shall deem proper; not being contrary to law, or to the constitution of the bank.

16. The officer, at the head of the treasury department of the United States, shall be furnished, from time to time, as often as he may require, not exceeding once a week, with statements of the amount of the capital stock of the said corporation; and of the debts due to the same; of the monies deposited therein; of the notes in circulation, and of the cash in hand; and shall have a right to inspect such general accounts in the books of the bank, as shall relate to the said statements: Provided that this shall not be construed to imply a right of inspecting the account of any private individual or individuals with the bank.

VIII. *And be it further enacted,* That, if the said corporation or any person or persons, for or to the use of the same, shall deal or trade in buying or selling any goods, wares, merchandize, or commodities whatsoever, contrary to the provisions of this act, all and every person and persons, by whom any order or direction for so dealing or trading shall have been given, and all and every person and persons who shall have been concerned as parties or agents therein, shall forfeit and lose treble the value of the goods, wares, merchandizes and commodities, in which such dealing and trade shall have been; one half thereof to the use of the informer, and the other half thereof to the use of the United States, to be recovered with costs of suit.

IX. *And be it further enacted,* That, if the said corporation shall advance or lend any sum, for the use or on account of the government of the United States, to an amount exceeding one hundred thousand dollars; or of any particular State to an amount exceeding fifty thousand dollars; or of any foreign prince or State, (unless previously authorized thereto by a law of the United States) all and every person and persons, by and with whose order, agreement, consent, approbation or connivance, such unlawful advance or loan, shall forfeit and pay, for every such offence, treble the value or amount of the sum or sums, which shall have been so unlawfully advanced or lent; one fifth thereof to the use of the informer, and the residue thereof to the use of the United States, to be disposed of by law and not otherwise.

X. *And be it further enacted,* That the bills or notes of the said Corporation, originally made payable, or which shall have become payable on demand, in gold and silver coin, shall be receivable in all payments to the United States.

XI. *And be it further enacted,* That it shall be lawful for the President of the United States, at any time or times, within eighteen months after the first day of April next, to cause a subscription to be made to the stock of the said corporation, as part of the aforesaid capital stock of ten millions of dollars, on behalf of the United States, to an amount not exceeding two millions of dollars; to be paid out of the monies which shall be borrowed by virtue of either of the acts, the one intitled, "an act making provision for the debt of the United States;" and the other entitled, "An act making provision for the reduction of the public debt;" borrowing of the bank an equal sum, to be applied to the purposes, for which the said monies shall have been procured; reimbursable in ten years, by equal annual instalments; or at any time sooner, or in any greater proportions, that the government may think fit.

XII. *And be it further enacted,* That no other Bank shall be established by any future Law of the United States, during the continuance of the Corporation hereby created; for which the faith of the United States is hereby pledged.

FREDERICK AUGUSTUS MUHLENBERG,

Speaker of the House of Representatives,

JOHN ADAMS, *Vice-President of the United States,*
and *President of the Senate.*

APPROVED, FEBRUARY TWENTY-FIFTH 1791.

GEORGE WASHINGTON, *President of the United States.*

(TRUE COPY.)

THOMAS JEFFERSON, *Secretary of State.*

AN ACT regulating the number of Representatives to be chosen by the States of Kentucky and Vermont.

BE it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, until the Representatives in Congress shall be apportioned according to an actual enumeration of the inhabitants of the United States, the States of Kentucky and Vermont shall each be entitled to choose two Representatives.

FREDERICK AUGUSTUS MUHLENBERG,

Speaker of the House of Representatives.

JOHN ADAMS, *Vice-President of the United States,*
and *President of the Senate.*

APPROVED, FEBRUARY TWENTY-FIFTH, 1791.

GEORGE WASHINGTON, *President of the United States.*

(TRUE COPY.)

THOMAS JEFFERSON, *Secretary of State.*